THE STATE OF ALASKA GOVERNOR SEAN PARNELL

Department of Natural Resources

Division of Oil & Gas Anchorage Office

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ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL AND GAS NOTICE OF APPLICATION TO FORM THE PROPOSED KENAI LOOP UNIT

The Department of Natural Resources (Department) gives notice under 11 AAC 83.311 of an application to form the Kenai Loop Unit. The proposed Kenai Loop Unit is located on the northern Kenai Peninsula on a ridge between Cannery Loop Field and Beaver Creek Gas Field. Buccaneer Alaska Operations, LLC (Buccaneer), the proposed Kenai Loop Unit Operator, filed an application to form the proposed Kenai Loop Unit with the Division of Oil and Gas which was deemed complete on December 10, 2012. Buccaneer's address is 952 Echo Lane, Suite 420, Houston, Texas 77024.

The proposed Kenai Loop Unit covers approximately 1,397.14 acres within 4 State of Alaska Oil and Gas Leases, approximately 4,827.50 acres within 2 State of Alaska Mental Health Trust leases and approximately 1,275.00 acres within 1 State of Alaska Cook Inlet Region, Inc. (CIRI) lease which includes all or a portion of the following lands:

Seward Meridian, Alaska T5N-R11W, S.M., Sections 3, 4 and 5 and U.S Survey 3025 A and B, Block 8 Lots 1 and 5 T6N-R11W, S.M., Sections 22-29, 32, 33-35

In accordance with 11 AAC 83.356, geological, geophysical, and engineering information were submitted in support of the application to form the Kenai Loop Unit. The application will be approved if consistent with 11 AAC 83.303, and other applicable statutes and regulations.

You may review the non-confidential portions of the application on the Division of Oil and Gas' website at: http://www.dog.dnr.state.ak.us/Units/Units.htm#recentpubnot, or in person at the Division's office at 550 West 7th Avenue, Suite 1100, Anchorage, Alaska. Copies of the non-confidential portions of the application are also available by writing to the Division of Oil and Gas, Units Section, at the above address. The Department charges a photocopy fee of \$.25 per sheet 11 AAC 05.010(a)(16)(C).

Any person may file written comment on the application. Comments must be received by 4:30 p.m., Alaska Time, Monday, January 14, 2013, and should be mailed to the Division of Oil and Gas, attention Alicia Dowdy, Unit Manager, at the above address. You may also submit comments via email to DOG.Units@alaska.gov. The Department will consider all timely written comments and evaluate the application based on the criteria in 11 AAC 83.303, 11 AAC 83.351 and 11 AAC83.356. Within 60 days after the close of the comment period, the Department will issue a written decision to approve or deny the unit application. Individuals or groups of people with disabilities, who require special accommodations, auxiliary aids or services, or alternative communication formats, please contact Celeste Hayes at (907) 296-8507, or TDD (907) 269-8411 (5 days before end of comment period).

This notice also appears on the State of Alaska website at http://dnr.alaska.gov/commis/pic/pubnotfrm.htm.

W. C. Barron Director Division of Oil and Gas

December 10, 2012

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